

HELIOS ENERGY LTD
(PREVIOUSLY "NEW HORIZON COAL LTD")
ACN 143 932 110
SECOND SUPPLEMENTARY PROSPECTUS

1. IMPORTANT INFORMATION

This is a supplementary prospectus (**Second Supplementary Prospectus**) intended to be read with the first supplementary prospectus dated 17 March 2017 (**First Supplementary Prospectus**) and the prospectus dated 16 February 2017 (**Prospectus**), issued by Helios Energy Ltd (previously "New Horizon Coal Ltd") (ACN 143 932 110) (**Company**).

This Second Supplementary Prospectus is dated 15 May 2017 and was lodged with the ASIC on that date. The ASIC, the ASX and their respective officers take no responsibility for the contents of this Second Supplementary Prospectus.

This Supplementary Prospectus is a **refresh document** as defined in section 724(3H) of the Corporations Act, as inserted by ASIC Corporations (Minimum Subscription and Quotation Conditions) Instrument 2016/70.

Other than as set out below, all details in relation to the Prospectus and the First Supplementary Prospectus remain unchanged. Terms and abbreviations defined in the Prospectus and the First Supplementary Prospectus have the same meaning in this Second Supplementary Prospectus. If there is a conflict between the Prospectus, the First Supplementary Prospectus and this Second Supplementary Prospectus, this Second Supplementary Prospectus will prevail.

This Second Supplementary Prospectus will be available with the Prospectus and the First Supplementary Prospectus to Australian resident investors in electronic form at the Company's website at www.newhorizoncoal.com.au. The Company will send a copy of this Second Supplementary Prospectus to all Applicants who have subscribed for Shares pursuant to the Prospectus or the First Supplementary Prospectus prior to the date of this Second Supplementary Prospectus.

This is an important document and should be read in its entirety in conjunction with the Prospectus and the First Supplementary Prospectus. If you do not understand it you should consult your professional advisers without delay.

2. REASON FOR SECOND SUPPLEMENTARY PROSPECTUS

This Second Supplementary Prospectus has been prepared to refresh the period for admission to quotation of Securities offered under the Prospectus (as supplemented by the First Supplementary Prospectus) from three months from the date of the Prospectus (which was lodged with ASIC on 16 February 2017) to three months from the date of this Second Supplementary Prospectus (**Quotation Condition**) pursuant to ASIC Corporations (Minimum Subscription and Quotation Conditions) Instrument 2016/70 (**LI 2016/70**).

3. SPECIFIC DISCLOSURES REQUIRED BY LEGISLATIVE INSTRUMENT 2016/70

3.1 Background

In accordance with the Corporation Act, if a person offers securities under a disclosure document such as a prospectus and the disclosure document states or implies that the securities are to be quoted on a financial market such as the ASX, and the securities are not then admitted to quotation within three months after the date of the disclosure document, then the issue of securities would be void and any subscription amounts would have to be returned to the Applicants.

Additionally, also in accordance with the Corporations Act, if a person offers securities under a disclosure document such as a prospectus and the disclosure document states a minimum subscription amount must be raised before any securities will be issued, then the minimum subscription must be received within four months after the date of the disclosure document, otherwise any subscription amounts must be returned to the Applicants or otherwise the Applicants must be given a supplementary disclosure document and the opportunity to withdraw their Application (see Section 3.2 below for details).

By the issue of LI 2016/70, ASIC has varied the Corporations Act to allow companies to refresh the timing of the minimum subscription and quotation conditions, so that they commence from the date of a refresh document (such as this Second Supplementary Prospectus) such that the respective 3 and 4 month periods commence from the date that the refresh document is lodged with ASIC. LI 2016/70 lists a number of conditions that must apply to the refresh document and the actions of the company which seeks to rely upon it. This Second Supplementary Prospectus addresses those requirements.

3.2 Withdrawal rights

In accordance with sections 724(2) and 724(3G) of the Corporations Act, if you applied for Securities under the Prospectus or the First Supplementary Prospectus before the date of this Second Supplementary Prospectus, you will receive a copy of this Second Supplementary Prospectus and you have the right to withdraw your Application and be repaid your application money (without interest), provided your written request to withdraw your Application is received by the Company at the address set out below within 1 month of the date of this Second Supplementary Prospectus (i.e. by **5:00pm (WST) on 15 June 2017**):

Mailing Address

Helios Energy Ltd
PO Box 637
West Perth WA 6872

Hand Delivery (Please do not use this address for mailing purposes)

Helios Energy Ltd
Level 1, 33 Ord Street
West Perth WA 6006

The details for the payment of the refund cheque and address to which it should be sent as set out in the written request must correspond to the details contained in the Application Form lodged by that Applicant.

If you do not wish to withdraw your Application, you do not need to take any action.

3.3 Applications received

As at the date of this Second Supplementary Prospectus, the Company advises that it has:

- (a) issued 650,000,000 Shares totalling \$13,000,000 under the Entitlement Offer together with 216,666,665 New Options issued free attaching (on a 1:3 basis) to Shares subscribed for under the Entitlement Offer;
- (b) issued 240,000,000 Shares and 240,000,000 Performance Rights to the Vendors under the Vendor Offer;
- (c) issued 25,000,000 Shares and 25,000,000 New Options under the Broker Offer;
- (d) received Applications for 27,092,938 Shares and 9,030,987 New Options under the Shortfall Offer; and
- (e) received no Applications under the Options Offer.

The Company's Securities remain suspended from trading subject to the Company satisfying the remaining Reinstatement Conditions (as defined in Section 3.5 below.

As at the date of this Second Supplementary Prospectus, the minimum subscription of \$12,000,000 under the Entitlement Offer has been achieved.

3.4 New Applications

Applications for Securities under the Shortfall Offer after lodgement of this Second Supplementary Prospectus **must** be made using the Second Supplementary Application Form attached to or accompanying this Second Supplementary Prospectus. Applications after the date of this Second Supplementary Prospectus **must not** be made on the Application Form attached to or accompanying the Prospectus or First Supplementary Prospectus and will not be valid.

3.5 Quotation condition

The Company makes the following statements regarding the Quotation Condition as required by LI 2016/70:

- (a) the Company applied for quotation of the relevant Securities on the ASX within seven (7) days from the date of lodgement of the Prospectus;
- (b) as at the date of this Second Supplementary Prospectus, the Securities offered pursuant to the Prospectus (as supplemented by the First Supplementary Prospectus) have not been admitted to quotation on the ASX;
- (c) ASX has stated that the Securities offered pursuant to the Prospectus (as supplemented by the First Supplementary Prospectus) will be admitted

to quotation and the suspension on the trading of the Company's existing Securities will be lifted subject to certain requirements set out in a listing decision letter dated 30 March 2017 (**Reinstatement Requirements**) being satisfied. The Reinstatement Requirements that have not yet been satisfied are:

- (i) the Shortfall Offer and Option Offer being closed and the issues of Securities under those Offers being completed;
- (ii) confirmation of the Company's receipt of cleared funds for the complete amount of the issue price of every Security issued to every Applicant under the Prospectus;
- (iii) ASX being satisfied that the Company has an appropriate spread of Shareholders;
- (iv) the Company demonstrating free float at the time of admission of at least 20%;
- (v) confirmation of the satisfaction of the conditions precedent (not waived) and completion under the Acquisition Agreements;
- (vi) confirmation of the appointment of the new director referred to in paragraph 3(a) of the First Supplementary Prospectus in compliance with Listing Rule 1.1 condition 20;
- (vii) provision of a statement from the Company that there are no legal, regulatory, statutory or contractual impediments to the Company entering and carrying out its activities such that the Company will be able to spend its cash in accordance with its commitments for the purposes of Listing Rule 1.3.2(b);
- (viii) despatch of holding statements or refund moneys to Applicants; and
- (ix) provision of a form suitable for release to the market of various information, including on the distribution of the number of Shares held by each Shareholder, a statement setting out the names of the top 20 largest holders of each class of Securities, and a statement setting out the number of Securities subject to ASX restriction and the restriction period applied to those Securities.

Following the issue of Securities under the Shortfall Offer, the Company considers it will be in a position to satisfy the outstanding Reinstatement Requirements.

- (d) the Quotation Condition is being amended to extend the period for admission to quotation of Securities offered under the Prospectus (as supplemented by the First Supplementary Prospectus) from three months from the date of the Prospectus to three months from the date of this Second Supplementary Prospectus;
- (e) upon lodgement of the Second Supplementary Prospectus, subject only to the lodgement of any future refresh document, the Quotation Condition must now be satisfied by 15 August 2017, being the date

three months from the date of this Second Supplementary Prospectus;
and

- (f) as at the date of this Second Supplementary Prospectus, the number of Securities for which applications have been received is detailed in Section 3.3 above.

4. AMENDMENTS TO THE PROSPECTUS

The Directors have resolved to refresh the period for admission to quotation of Securities offered under the Prospectus (as supplemented by the First Supplementary Prospectus) to 15 August 2017, being three months from the date of this Second Supplementary Prospectus.

As a result of the extension of the Quotation Condition the following amendment is made to the Prospectus (as supplemented by the First Supplementary Prospectus):

ASX listing

The second sentence at Section 6.12 of the Prospectus (as supplemented by the First Supplementary Prospectus) is replaced with the following:

"If ASX does not grant Official Quotation of the Securities offered pursuant to this Prospectus before the expiration of 3 months after the date of issue of the Second Supplementary Prospectus, (or such period as varied by the ASIC), the Company will not issue any Securities and will repay all application monies for the Securities within the time prescribed under the Corporations Act, without interest."

5. DIRECTORS' AUTHORISATION

This Second Supplementary Prospectus is issued by the Company and its issue has been authorised by a resolution of the Directors.

In accordance with Section 720 of the Corporations Act, each Director has consented to the lodgement of this Second Supplementary Prospectus with the ASIC.

Gary Steinepreis
Non-executive Director
For and on behalf of
Helios Energy Ltd
(Previously "New Horizon Coal Ltd")